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PRESS RELEASE
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TSX SYMBOL: DEE

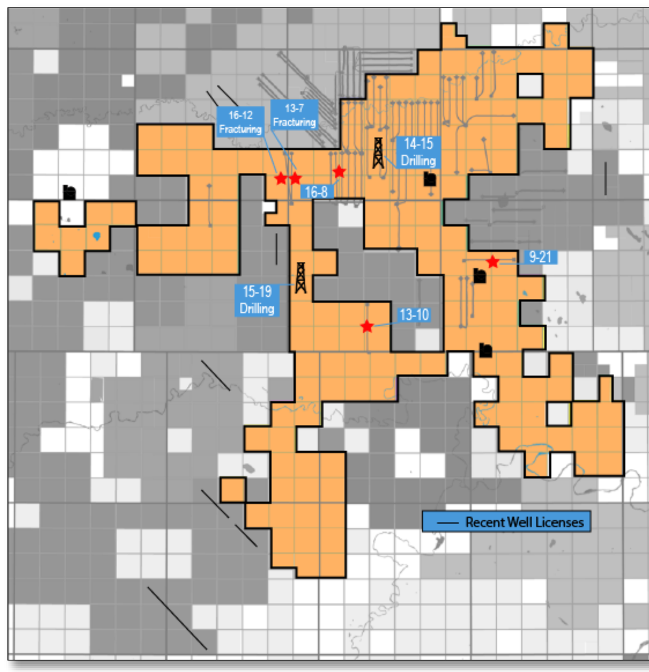
DELPHI ENERGY PROVIDES OPERATIONS UPDATE

CALGARY, ALBERTA – October 25, 2017 – Delphi Energy Corp. ("Delphi" or the "Company") provides an operations update on recent positive well results, increasing condensate yields, and ongoing cost reduction initiatives.

Drilling and Completion Operations Successfully Delineating Delphi's 167.5 section Bigstone Area

Completion operations on the Company's ninth, tenth and eleventh wells of the 2017 program have concluded, with two of the wells now on production and the third well expected to be on production in late November. The 2017 drilling program, with an increased focus on delineation drilling, has significantly de-risked Delphi's large undeveloped land position. The increase in number of new well licenses by multiple industry competitors directly offsetting Delphi's land holdings will further assist in delineating the Montney potential at Bigstone.

The 13-10-59-23W5 well ("13-10") is the southern-most Montney well the Company has drilled to date. It also marks the first significant step-out Montney well that Delphi has drilled in over three years and has de-risked a large portion of the Company's Montney rights at Bigstone. 13-10 was drilled to a total depth of 5,908 metres with an extended-reach horizontal lateral in the Montney of 2,848 metres and was completed with the Company's Fourth Generation frac design through a 40-stage liner. The well was flowed on clean-up for 2.5 days, recovering approximately 21 percent of the initial load frac water. Over the last 24-hours prior to running production tubing, the well flowed on clean-up at an average rate of 4.7 million cubic feet of natural gas per day ("mmcf/d") of raw gas and 952 barrels per day ("bbls/d") of 44 degree API field condensate (237 bbls/mmcf of sales gas). Total sales production rate for 13-10 over this 24-hour period was approximately 1,805 barrels of oil equivalent per day ("boe/d") (63 percent liquids), including an estimated plant natural gas liquids ("NGL") yield of 46 bbls/mmcf of sales gas. 13-10 has recently been brought on production through the Central Foothills Gas Gathering System and the Repsol operated Edson Gas Plant.

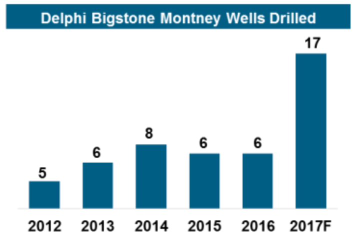


The 9-21-59-22W5 well ("9-21") was drilled to test the eastern edge of the Montney play at Bigstone. 9-21 was drilled to a total depth of 5,865 metres with an extended-reach horizontal lateral in the Montney of 2,841 metres and was also completed with the Company's Fourth Generation frac design through a 40-stage liner. The well was flowed on clean-up for 2.6 days, recovering approximately 16 percent of the initial load frac water. Over the last 24-hours prior to running production tubing, the well flowed on clean-up at an average rate of 6.8 mmcf/d of raw gas and 584 bbls/d of 48 degree API field condensate (100 bbls/mmcf of sales gas). Total sales production rate for 9-21 over this 24-hour period was approximately 1,823 boe/d (47% liquids), including an estimated plant NGL yield of 46 bbls/mmcf of sales gas. The 9-21 well is expected to be brought on production in late November.

The 16-08-60-23W5 infill well ("16-08") was drilled between the 15-08 and the recently drilled section 9 wells. 16-08 was drilled to a total depth of 5,656 metres with an extended-reach horizontal lateral in the Montney of 2,574 metres and was also completed with the Company's Fourth Generation frac design through a 40-stage liner. The well was flowed on clean-up for 3.1 days, recovering approximately 23 percent of the initial load frac water. Over the last 24-hours prior to running production tubing, the well flowed on clean-up at an average rate of 4.7 mmcf/d of raw gas and 1,133 bbls/d of 42 degree API field condensate (281 bbls/mmcf of sales gas). Total sales production rate for 16-08 over this 24-hour period was approximately 1,988 boe/d (66% liquids), including an estimated plant NGL yield of 46 bbls/mmcf of sales gas. 16-08 has recently been brought on production.

Delphi has finished drilling two additional step-out pad wells at 13-7-60-23W5 and 16-12-60-24W5, which are the western-most wells the Company has drilled to date. Fracturing operations have commenced and are expected to be finished by the end of October with on-production dates anticipated in late November.

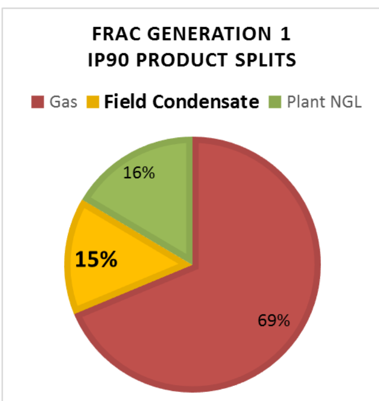
Field operations are back on track after two separate early winter snow storms in the Bigstone area in September and early October delayed overall drilling, completion and pipelining operations. The drilling program is on schedule for the planned 17 wells to be rig released in 2017, with an additional two wells commencing drilling operations before year-end. The program contemplates having 15 of those 17 wells completed and placed on production by year-end. The Company's two drilling rigs are currently drilling an infill well at 14-15-60-23 W5M and another step-out delineation well at 15-19-59-23 W5M.

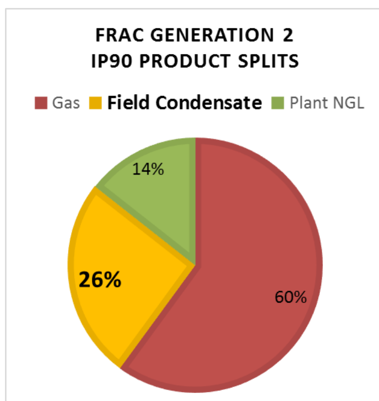


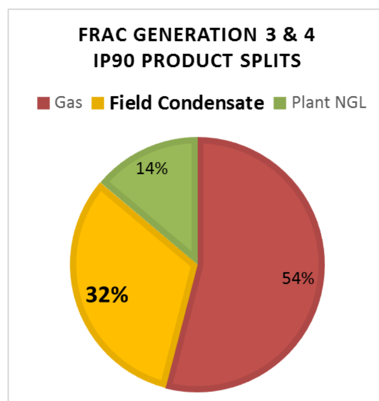
Condensate Production Growth Continues to Outpace Natural Gas

Condensate production growth remains on track with fourth quarter 2017 production volumes expected to be nearly double what they were one year earlier. In comparison, natural gas and natural gas liquid volumes are expected to increase approximately 40 percent from one year earlier.

Condensate as a percentage of the total product mix has more than doubled to 32 percent on wells completed with the 3rd and 4th generation frac designs compared to 15 percent on the original first generation frac design. Wells with higher field condensate to gas ratios provide higher revenue combined with lower operating and transportation costs per boe. Field condensate has both lower operating and transportation costs compared to the Company's natural gas production.







Initial Production (IP) Rate Well Performance[1]								
Frac Design Generation	IP30		IP90		IP180		IP365	
	Total Sales (boe/d)	Field CGR (bbl/mmcf)	Total Sales (boe/d)	Field CGR (bbl/mmcf)	Total Sales (boe/d)	Field CGR (bbl/mmcf)	Total Sales (boe/d)	Field CGR (bbl/mmcf)
Average 1st Gen	1,213	48	807	36	557	33	397	31
Average 2nd Gen	1,398	86	1,160	72	946	65	719	58
Average 3rd & 4th Gen	1,203	149	1,152	105	945	92	703	82

(1) Average production calculated on operating days, excludes non-producing days. Includes estimated NGL gas plant recoveries. All production numbers represent sales volumes.

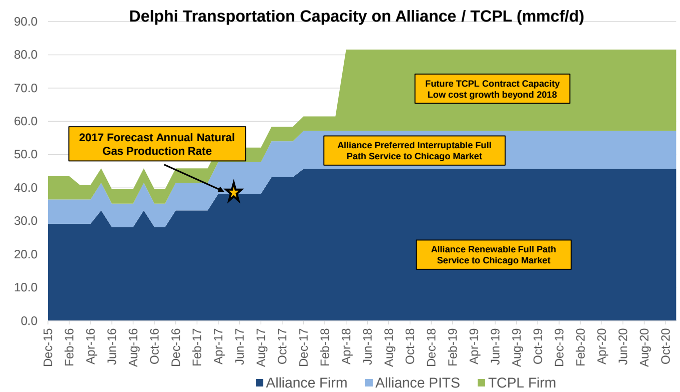
Facility Projects and Upgrades Target Reduced Operating Costs While Increasing Capacity

Delphi recently performed a workover and has commenced construction of additional storage and pumping capacity at its water disposal facility located at 16-34-59-21W5 ("16-34"). The Company ordered the required equipment earlier this year in anticipation of the increased field activity planned for 2017 and beyond. Disposal capacity will be increased to over 6,000 barrels per day of water from 2,200 barrels per day currently. The increased activity experienced by the Company since bringing in a second drilling rig late in 2016 and more recently completing seven wells in late May through early September resulted in greater volumes of produced and completion load water being trucked further afield to third party disposal facilities. The expansion at Delphi's 16-34 water disposal facility enables the Company to return to internally handling its water disposal requirements with spare capacity potentially available for third party volumes and associated revenues. The expansion is scheduled to be completed in November.

Plans remain on-track for the construction and commissioning of the Company's amine project at the 7-11-60-23W5 compression and dehydration Montney facility. When brought on-line in the second quarter of 2018, up to 17 mmcf/d of gross raw sweetened Montney gas will be processed at the Repsol operated Bigstone Gas Plant where the Company owns a 25% working interest. This will significantly reduce operating costs for the portion of Montney gas that gets processed at this plant.

Marketing Arrangements Mitigate Delivery Curtailments and AECO Natural Gas Price Risk

Delphi has strategically mitigated key market risks through its firm downstream transportation arrangements, largely from selling approximately 90 percent of its natural gas volumes directly into the Chicago market via the Alliance pipeline. Over the past three months during significant AECO natural gas price volatility, Delphi has been able to achieve a realized natural gas price (excluding hedges) of approximately 2.4 times the average AECO price of $1.46 per mcf. The contracted renewable firm Alliance Full Path Service to Chicago, with the accompanying 25 percent preferred interruptible service, is adequate for the projected growth of natural gas volumes into 2019.



Delphi believes the current constraints on the James River lateral of the NOVA system will be alleviated over time. Accordingly, Delphi does have TCPL firm service contracted starting April 2018 to augment its Alliance service and diversify its long term natural gas market exposure.

With Delphi's field condensate volumes having almost doubled from the fourth quarter of 2016 and an overall increase in industry activity, the Company has mitigated delivery restrictions and significant wait times by contracting access to a designated riser off-load for its field condensate production. With priority access to this proximal delivery point, Delphi has begun to realize reduced field condensate transportation costs through shorter trucking distances and wait times.

Commodity Hedging Strategy Continues to Mitigate Downside Price Risk and Protect Return on Capital

Delphi has also mitigated commodity price risks through its hedging strategy. Including the impact of the Company's natural gas hedging program, Delphi further increased its realized natural gas price by approximately $0.44/mcf over the past three months. Delphi's natural gas exposure remains well hedged through 2018 and into 2019. The Company remains constructive on long term condensate pricing, but has recently reduced its exposure to spot pricing through to the middle of 2018, with WTI fixed pricing equivalent to approximately US$53.35 per bbl.

Commodity Hedges	**Q4 2017**	**Q1 2018**	**Q2 2018**	**Q3 2018**	**Q4 2018**	**2019**
Natural gas (mcf/d)	65%	53%	52%	52%	47%	21%
Average hedge price ($/mcf)	4.11	3.91	3.91	3.91	3.88	3.90
Crude oil (bbl/d)	51%	37%	33%	14%	14%	14%
Average hedge price ($/bbl)	66.37	66.78	67.06	70.00	70.00	70.00

* Based on average 2017 production of 33.5 mmcf/d of natural gas and 2,150 bbls/d of field condensate.

Corporate Production Update

With field operations back on track after the early snow and wet ground conditions, current production capability has increased to approximately 10,800 boe/d (approximately 40 percent condensate and NGL's). With four additional wells (2.6 net) expected to be on-stream prior to year-end, the Company is targeting production of 11,000 to 11,500 boe/d in the fourth quarter of 2017, a 58% increase from the fourth quarter of 2016. Annual 2017 production is expected to be slightly below the 9,000 to 9,500 boe/d forecast, due to less volumes than forecast during the K3 turnaround in the second quarter, and third quarter production of approximately 9,300 boe/d. Third quarter production was negatively impacted by weather related operational delays and curtailed production of 600 boe/d, more than half of which was to mitigate the impact of offset well fracturing operations from adjacent industry activity.

The Company's primary focus remains on creating significant value for its shareholders through its successful development and delineation of the Bigstone Montney property, while maintaining an adequate level of financial flexibility.

CONFERENCE CALL AND WEBCAST

A conference call and webcast to review third quarter 2017 results is scheduled for 9:00 a.m. Mountain Time (11:00 a.m. Eastern Time) on Thursday, November 9, 2017. The conference call number is 1-844-358-8760. A brief presentation by David J. Reid, President and CEO and Mark D. Behrman, CFO, will be followed by a question and answer period. The conference call will also be broadcast live on the internet and may be accessed through Delphi's website at www.delphienergy.ca or by entering https://edge.media-server.com/m6/p/pw3mwudu in your web browser. A rebroadcast will also be available on Delphi's website or at https://edge.media-server.com/m6/p/pw3mwudu on your web browser.

About Delphi Energy Corp.

Delphi Energy Corp. is an industry-leading producer of liquids-rich natural gas. The Company has achieved top decile results through the development of our high quality Montney property, uniquely positioned in the Deep Basin of Bigstone, in northwest Alberta. Delphi continues to outperform key industry players by improving operational efficiencies and growing our dominant Bigstone land position in this world-class play. Delphi is headquartered in Calgary, Alberta and trades on the Toronto Stock Exchange under the symbol DEE.

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CFO

***Forward-Looking Statements**. This news release contains forward-looking statements and forward-looking information within the meaning of applicable Canadian securities laws. These statements relate to future events or the Company's future performance and are based upon the Company's internal assumptions and expectations. All statements other than statements of present or historical fact are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of any of the words "expect", "anticipate", "continue", "estimate", "may", "will", "should", "believe", "intends", "forecast", "plans", "guidance", "budget" and similar expressions.*

More particularly and without limitation, this release contains forward-looking statements and information relating to petroleum and natural gas production estimates and weighting, projected crude oil and natural gas prices, future exchange rates, expectations as to royalty rates, expectations as to transportation and operating costs, expectations as to general and administrative costs and interest expense, expectations as to capital expenditures and net debt, planned capital spending, future liquidity and Delphi's ability to fund ongoing capital requirements through operating cash flows and its credit facilities, supply and demand fundamentals for oil and gas commodities, timing and success of development and exploitation activities, cash availability for the financing of capital expenditures, access to third-party infrastructure, treatment under governmental regulatory regimes and tax laws and future environmental regulations.

Furthermore, statements relating to "reserves" are deemed to be forward-looking statements as they involve the implied assessment, based on certain estimates and assumptions that the reserves described can be profitable in the future.

The forward-looking statements and information contained in this release are based on certain key expectations and assumptions made by Delphi. The following are certain material assumptions on which the forward-looking statements and information contained in this release are based: the stability of the global and national economic environment, the stability of and commercial acceptability of tax, royalty and regulatory regimes applicable to Delphi, exploitation and development activities being consistent with management's expectations, production levels of Delphi being consistent with management's expectations, the absence of significant project delays, the stability of oil and gas prices, the absence of significant fluctuations in foreign exchange rates and interest rates, the stability of costs of oil and gas development and production in Western Canada, including operating costs, the timing and size of development plans and capital expenditures, availability of third party infrastructure for transportation, processing or marketing of oil and natural gas volumes, prices and availability of oilfield services and equipment being consistent with management's expectations, the availability of, and competition for, among other things, pipeline capacity, skilled personnel and drilling and related services and equipment, results of development and exploitation activities that are consistent with management's expectations, weather affecting Delphi's ability to develop and produce as expected, contracted parties providing goods and services on the agreed timeframes, Delphi's ability to manage environmental risks and hazards and the cost of complying with environmental regulations, the accuracy of operating cost estimates, the accurate estimation of oil and gas reserves, future exploitation, development and production results and Delphi's ability to market oil and natural gas successfully to current and new customers. Additionally, estimates as to expected average annual production rates assume that no unexpected outages occur in the infrastructure that the Company relies on to produce its wells, that existing wells continue to meet production expectations and any future wells scheduled to come on in the coming year meet timing and production expectations.

Commodity prices used in the determination of forecast revenues are based upon general economic conditions, commodity supply and demand forecasts and publicly available price forecasts. The Company continually monitors its forecast assumptions to ensure the stakeholders are informed of material variances from previously communicated expectations.

Financial outlook information contained in this release about prospective results of operations, financial position or cash flows is based on assumptions about future events, including economic conditions and proposed courses of action, based on management's assessment of the relevant information currently available. Readers are cautioned that such financial outlook information contained in this release should not be used for purposes other than for which it is disclosed.

Although the Company believes that the expectations reflected in such forward-looking statements and information are reasonable, it can give no assurance that such expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent known and unknown risks and uncertainties. Delphi's actual results, performance *or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits Delphi will derive therefrom. Should one or more of these risks or uncertainties materialize, or should assumptions underlying forward-looking statements prove incorrect, actual results may vary materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the risks associated with the oil and gas industry in general such as operational risks in development, exploration and production, delays or changes in plans with respect to exploration or development projects or capital expenditures, the uncertainty of estimates and projections relating to production rates, costs and expenses, commodity price and exchange rate fluctuations, marketing and transportation, environmental risks, competition from others for scarce resources, the ability to access sufficient capital from internal and external sources, changes in governmental regulation of the oil and gas industry and changes in tax, royalty and environmental legislation. Additional information on these and other factors that could affect the Company's operations or financial results are included in the Company's most recent Annual Information Form and other reports on file with the applicable securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com).*

Readers are cautioned that the foregoing list of factors is not exhaustive. Furthermore, the forward-looking statements contained in this release are made as of the date of this release for the purpose of providing the readers with the Company's expectations for the coming year. The forward-looking statements and information may not be appropriate for other purposes. Delphi undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws. The forward-looking statements contained in this release are expressly qualified in their entirety by this cautionary statement.

***Basis of Presentation**. For the purpose of reporting production information, reserves and calculating unit prices and costs, natural gas volumes have been converted to a barrel of oil equivalent (boe) using six thousand cubic feet equal to one barrel. A boe conversion ratio of 6:1 is based upon an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. This conversion conforms to the Canadian Securities Administrators' National Instrument 51-101 when boes are disclosed. Boes may be misleading, particularly if used in isolation.*

As per CSA Staff Notice 51-327 initial test results and initial production performance should be considered preliminary data and such data is not necessarily indicative of long-term performance or of ultimate recovery. "IP" is an abbreviation for "Initial Production" and represents average production rates over the indicated time period in producing days.

***Non-GAAP Measures**. The release contains the terms "adjusted funds from operations", "adjusted funds from operations per share", "net debt", "net debt to adjusted funds from operations ratio", "operating netbacks" "cash netbacks" and "netbacks" which are not recognized measures under GAAP. The Company uses these measures to help evaluate its performance. Management considers netbacks an important measure as it demonstrates its profitability relative to current commodity prices and costs of production. Management uses adjusted funds from operations to analyze performance and considers it a key measure as it demonstrates the Company's ability to generate the cash necessary to fund future capital investments and to repay debt. Adjusted funds from operations is a non-GAAP measure and has been defined by the Company as cash flow from operating activities before accretion on long term and subordinated debt, decommissioning expenditures and changes in non-cash working capital from operating activities. The Company also presents adjusted funds from operations per share whereby amounts per share are calculated using weighted average shares outstanding consistent with the calculation of earnings per share. Delphi's determination of adjusted funds from operations may not be comparable to that reported by other companies nor should it be viewed as an alternative to cash flow from operating activities, net earnings or other measures of financial performance calculated in accordance with GAAP. The Company has defined net debt as the sum of bank debt and senior secured notes plus/minus working capital excluding the current portion of the fair value of financial instruments. Net debt is used by management to monitor remaining availability under its credit facilities. Operating netbacks have been defined as revenue plus marketing income less royalties, transportation and operating costs. Cash netbacks have been defined as operating netbacks less interest on bank debt and senior secured notes, general and administrative costs and cash costs related to the Company's restricted share units. Netbacks are generally discussed and presented on a per boe basis.*